

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Industries & Commerce Department – Establishment of Crystalline based solar cells, thin film solar cells etc., by M/s. Moser Baer Energy Limited – Certain incentives/concessions – Extended – Orders – Issued.

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INDUSTRIES AND COMMERCE (INF) DEPARTMENT

G.O.Ms.No. 336

Dated: 23-12-2008.

Read the following:

1. From the Chairman & Managing Director, M/s. Moser Baer India Limited, letter, dated: 19.5.07
2. From the Advisor (Industries), Government of A.P., e-mail, dated: 12.6.07.
3. From the Chairman & Managing Director, M/s. Moser Baer India Limited, Letter, dated: 15.6.07
4. MoU, dated: 16.4.2008, between Government of A.P. & M/s. Moser Baer Infrastructure and Developers Limited.
5. From the Moser Baer Infrastructure & Developers Limited, Email, dt. 5.12.08.

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**ORDER:**

M/s. Moser Baer India Limited was incorporated in the year 1983 at Noida, New Delhi, has proposed to set up State of Art manufacturing facilities for Crystalline based solar cells, Thin film solar cells, High and low solar concentrate products and Nano technology based solar cells at an estimated cost of Rs.3,200 – Rs.3,600 crores in a span of 3 years with the estimated employment opportunities for 2000 employees. The company has requested Government to allot land required for the project on lease basis, un-interrupted power supply, water and other fiscal incentives in order to establish the manufacturing facility within the Fab city in Hyderabad.

2. The company is a leading company in the manufacturing of electronic storage devices etc., having financial and technical tie-ups. The Government after considering the investment to be brought in by the company and the employment opportunities to be provided, have agreed in principle to the proposal of the company and entered into a Memorandum of Understanding on 16.4.2008 with M/s. Moser Baer Infrastructure & Developers Limited for setting up the Crystalline based solar cells, thin film solar cells etc.

3. The company in the reference 5<sup>th</sup> read above has informed Government that the name of the company was changed as M/s. Moser Baer Energy Limited and the same company will implement the proposed project and requested Government to issue orders on implementation of the project in the name of M/s. Moser Baer Energy Limited.

4. The Government after careful consideration of the request of the company hereby approves to change the name of the company from M/s. Moser Baer Infrastructure Developers Limited to that of M/s. Moser Baer Energy Limited and sets out the following obligations on M/s. Moser Baer Energy Limited and the Government of Andhra Pradesh

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**Obligations of M/s. Moser Baer Energy Limited:**

M/s. Moser Baer Energy Limited shall establish either itself or through Moser Baer Group companies in the next 5 years the projects which will have the following investments.

(a) Phase-I: The Group shall set up manufacturing facilities for solid state memory devices like USB Drives, Flash cards etc., with an initial investment of US \$ 200 million within 24 months from the date of allotment of land subject to the Govt. of A.P. providing the necessary Infrastructure in the Fab City.

Phase-II: Expansion of manufacturing units in industries semiconductor optical storage media, photovoltaics, Crystalline based solar cells., thin film solar cells, High and low solar concentrator products, Nanotechnology based solar cells etc., with an additional investment of US \$ 300 million within 36 months of the completion of the investments committed in Phase-I.

(b) to provide employment to 2,000 people in the manufacturing unit.

**Obligation of Government of A.P:**

**Land:**

- a) The Government of Andhra Pradesh through Fab City SPV shall lease out 100 acres of land at Rs. 15.00 lakhs per acre for a period of 66 years from out of the 1200 acres of land earmarked for the purpose.
- b) The Government shall consider additional allotment of land to the company based on the utilization of the land leased out to the company.
- c) 100% exemption from payment of stamp duty as per SEZ guidelines.

**POWER:**

(a) Government of Andhra Pradesh /Andhra Pradesh Industrial Infrastructure Corporation Limited ensures full and uninterrupted requirement of power supply during the construction period subject to the rules and tariff structure governing such power supply.

(b) to extend power subsidy of Rs. 1/- per unit on tariff as on 1.4.2005 for a period of 5 years from the date of commencement of commercial production subject to a maximum of 60 MW.

**WATER:**

Government of Andhra Pradesh /A.P. Industrial Infrastructure Corporation Limited commits to supply 4 MGD of water in phases starting 1.2 MGD at the time of commencement of construction at Rs. 15/- per Kilo Litre for a period of 5 years from the date of commencement of commercial production.

**FISCAL INCENTIVES:**

(a) Government of Andhra Pradesh will reimburse the actual amount of VAT, Local and CST paid for sale in DTA for a period of first 7 years from the date of commencement of commercial production and 50% of amount for a further period of 8 years.

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(b) The reimbursement will be made on a quarterly/half yearly basis as far as possible.

(c) To provide exemption from Octroi, turnover Tax and Entry Tax for a period of 15 years.

(d) To provide training grants to cover training costs at Rs. 10,000/- each for not exceeding 2000 employees or actual number of employees from the State of Andhra Pradesh engaged by Moser Baer Energy Limited or its associate and subsidiary companies.

**OTHER BENEFITS:**

Government of Andhra Pradesh shall recommend M/S. Moser Baer Energy Limited for extending eligible benefits available under SEZ Act and the Semiconductor Policy of Government of India.

5. The concessions /benefits offered by Government to the Moser Baer Energy Limited are subject to the direct equity investment brought in by the company into their unit and subject to the investment being made for the manufacture of all Semiconductor and eco-system units, namely displays including Liquid Crystal Displays (LCD), Organic Light Emitting Diodes (OLED), Plasma Display Panels (PDF), any other emerging displays, storage devices, solar cells, photovoltaic, other advanced micro and Nano technology products, assembly and test of all the above products..

6. The Moser Baer Energy Limited shall utilize the land allotted for the purpose to which it is allotted and in the event of any deviation, the land shall be resumed back to Government without any encumbrances

7. The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited is requested to take action accordingly.

[ BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH ]

B. SAM BOB  
PRINCIPAL SECRETARY TO GOVERNMENT AND  
COMMISSIONER FOR INDUSTRIAL PROMOTION

To  
The Chairman & Managing Director,  
A.P. Industrial Infrastructure Corporation Limited, Hyderabad.  
M/s. Moser Baer Energy Limited,  
43-B, Okhla Industrial Estate, Phase-III, New Delhi – 110030.  
The Commissioner of Industries, Hyderabad.  
The Energy Department.  
The Irrigation & CAD Department.  
The Finance (Exp.I&C) Department.  
Copy to:  
P.S. to Chief Secretary to Government.  
P.S. to Principal Secretary to Chief Minister.  
P.S. to Minister for Major Industries.  
P.S. to Principal Secretary to Government & CIP.,  
Industries & Commerce Department.  
Sf/sc.

//FORWARDED :: BY ORDER //

SECTION OFFICER